

RECEIVED

By Docket Room at 2:32 pm, Nov 19, 2019

Akin Gump

STRAUSS HAUER & FELD LLP

VERA C. NEINAST

512.499.6224/713.236.0822

vneinast@akingump.com

November 19, 2019

VIA ELECTRONIC MAIL AND OVERNIGHT COURIER

Ms. Amy Sweeney
Director, Office of Regulation, Analysis and Engagement
Office of Fossil Energy
Forrestal Building FE-34, Room 3E-052
1000 Independence Avenue, S.W.
Washington, DC 20585

Re: Freeport LNG Expansion, L.P., FLNG Liquefaction, LLC, FLNG Liquefaction 2, LLC, and FLNG Liquefaction 3, LLC
FE Docket Nos. 10-160-LNG, 10-161-LNG, 11-161-LNG, 12-06-LNG and 16-108-LNG
DOE/FE Order Nos. 2913-A, 3282-C, 3357-B, 3066-A and 3957
Filing of Long-Term Agreement Under Seal and Public Summary
and Updated Contact Information for SK E&S LNG, LLC

Dear Ms. Sweeney:

On November 8, 2019, SK E&S LNG, LLC ("SK LNG") entered into a long-term LNG Sale and Purchase Agreement with Prism Energy International PTE. LTD. ("Prism") for the sale of liquefied natural gas from the Freeport LNG terminal near Freeport, Texas (the "SPA"). In accordance with the requirements set forth in the above-referenced orders, SK LNG is filing a summary of the major provisions of the SPA for public posting, attached hereto as Exhibit A, and is separately submitting, via overnight courier, a non-redacted copy of the SPA under seal in a marked envelope.

SK LNG respectfully requests the DOE/FE to keep the non-redacted copy of the SPA confidential. SK LNG submits that the SPA meets the six criteria set forth in 10 C.F.R. § 1004.11(f) of the DOE regulations for determining whether information is exempt from mandatory disclosure pursuant to Exemption 4 of the Freedom of Information Act, 5 U.S.C. § 552(b)(4):

(1) The SPA has been held in confidence by SK LNG and Prism, and the SPA itself contains a confidentiality provision;

(2) The SPA contains information of a type that is customarily held in confidence by the parties, and there is a reasonable basis to keep sensitive commercial, technical, and financial terms, including but not limited to pricing terms, confidential to avoid competitive harm. The

LNG market is an intensely competitive global market. Disclosure of the contents of the SPA could make apparent to SK LNG's competitors, which include companies that have received or are seeking authorization from DOE/FE to export domestically sourced LNG as well as international competitors, proprietary business policies and procedures, commercial strategies, and trade secrets, including how SK LNG's purchase and sales transactions are structured;

(3) SK LNG is submitting the SPA to the DOE/FE under seal, with a request to keep the SPA confidential;

(4) The SPA is not publicly available;

(5) Public disclosure of the SPA by DOE/FE is likely to cause other export license holders or registrants to be reluctant to submit non-redacted copies of their LNG sales agreements to DOE/FE; thus, public disclosure could impair DOE/FE's ability to obtain similar information from others in the future; and

(6) Public disclosure of the SPA is likely to cause substantial harm to the competitive positions of SK LNG and Prism. If SK LNG's confidential commercial, financial and technical information is allowed to enter the public domain, it would allow SK LNG's competitors to gain an unfair competitive advantage over SK LNG in national and global markets.

For the foregoing reasons, SK LNG respectfully requests that the non-redacted copy of the SPA be kept confidential by DOE/FE. The SPA contains pricing and other competitively sensitive commercial information that is exempt from disclosure under the Freedom of Information Act, 5 U.S.C. § 552(b)(4), and under the DOE regulations, 10 C.F.R. §§ 590.202(e) and 1004.11.

Finally, SK LNG wishes to update its contact information on file with DOE/FE. The new contact information is as follows:

Name/Title: Namho Kim/Team Leader
Address: 1980 Post Oak Blvd. Ste. 2000, Houston, TX. 77056
E-mail Address: maquire@sk.com
Telephone: (281) 833-4204
Fax: (281) 822-7871

Please do not hesitate to contact the undersigned if you have any questions regarding this filing.

Very truly yours,

/s/ Vera C. Neinast

Vera C. Neinast

Attorney for SK E&S LNG, LLC

Enclosure

EXHIBIT A

LONG-TERM CONTRACT – LNG EXPORTS MAJOR PROVISIONS SUMMARY

1. **DOE/FE Order No(s):** 2913-A, 3282-C, 3357-B, 3066-A and 3957
DOE/FE Docket No(s): 10-160-LNG, 10-161-LNG, 11-161-LNG, 12-06-LNG and 16-108-LNG

2. ***LNG Liquefaction/Export Facility and Location:***

Freeport LNG facility located near Freeport, Texas in Brazoria County.

3. ***Describe affiliation with LNG Liquefaction Export Facility (e.g., owner, capacity holder, etc.):***

SK LNG, a capacity holder in the Freeport LNG facility, has entered into an LNG Sale and Purchase Agreement with its affiliate, Prism. Neither SK LNG nor Prism is affiliated with the Freeport LNG facility.

4. ***Exact Legal Name of Parties/Counterparties to Contract:***

Seller: SK E&S LNG, LLC

Buyer: Prism Energy International PTE. LTD

5. ***5a. Contract Type (e.g., Purchase and Sales Agreement; Liquefaction Tolling Agreement, etc.):***

LNG Sale and Purchase Agreement

5b. Firm or Interruptible Contract:

Firm.

6. ***Date of Contract:***

November 8, 2019.

7. ***Contract Term:***

The term of the SPA commences on the date of execution. The delivery term commences on the commercial start date of the third liquefaction train of the Freeport LNG facility and expires on the later of the twentieth anniversary of the commercial start date or a date mutually agreed by the parties, and may be extended pursuant to the terms and conditions of the SPA.

8. *Quantity (Annual and Total, if appropriate, include +/- flexibility):*

The annual contract quantity is 115,000,000 MMBtu.

9. *Take or Pay (or equivalent) Provision/Conditions (please describe):*

The Buyer is obligated to take and pay, or pay for if not taken, the annual contract quantity, subject to the provisions of the SPA.

10. *Supplier (title holder) of Natural Gas to Liquefaction Facility (include whether long or short-term supply, or both), if appropriate. If this does not include the Purchase or Sale of Natural Gas, please mark this Section "Not Applicable":*

Not Applicable.

11. *Legal Name of Entity(ies) that has(have) Title of the Natural Gas and LNG through the LNG Facility until Export (at the flange of the Vessel):*

SK E&S LNG, LLC.

12. *Export Destination Restrictions in the Contract:*

The contract restricts exports of LNG received by the Buyer from the Freeport LNG facility to destination countries permitted under the applicable DOE/FE export authorizations and U.S. laws and policies.

13. *Resale Provisions:*

The contract requires that the Buyer's direct and indirect sales or transfer of LNG received from the Freeport LNG facility be for delivery only to countries authorized under the applicable DOE/FE export authorizations and/or to purchasers that have agreed in writing to limit their direct or indirect resale or transfer of LNG to such countries.

14. *Other Major Non-proprietary Provisions, if Applicable:*

None.

I affirm that the foregoing is true and accurate to the best of my knowledge.

Dated: November 19, 2019

SUBMITTED BY:

/s/ Vera C. Neinast

Vera C. Neinast
Attorney for SK E&S LNG, LLC